

MISSOURI QUALITY JOBS

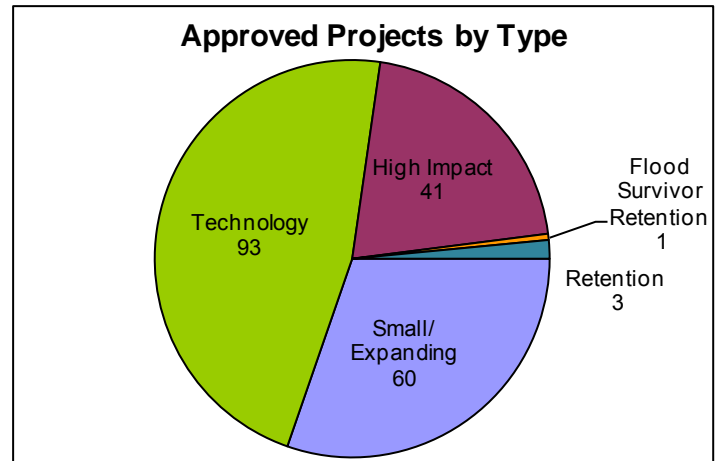
MISSOURI
DEPARTMENT OF ECONOMIC DEVELOPMENT



2008 Annual Report

Missouri Quality Jobs Program Annual Report for 2008

The Missouri Quality Jobs Program was introduced and passed during the 2005 Legislative Session, and became effective on August 28, 2005. As of the end of 2008, 194 New Jobs projects (representing 169 organizations), 1 Small Business Job Retention and Flood Survivor Relief project and 3 Retention projects are approved to participate in the program. Forty-six projects did not meet the program requirements and were removed from the list of approved projects.



Program Requirements

The Quality Jobs Program provides benefits for companies creating a minimum number of jobs as required by each of the project types. Small/expanding business projects must create a minimum of twenty new jobs in rural counties or forty new jobs in non-rural counties within two years. Technology business projects, determined by the NAICS code assigned for the business activity at the facility, must create ten or more new jobs within two years. High impact projects must create at least one hundred new jobs, the first new job within one year of approval and at least ninety-nine more within two years of hiring of the first new job. For program eligibility, the average wage of the new jobs must be at least the county average wage, the employees must work an average of thirty-five hours a week and the employer must offer health insurance to the employee, paying at least fifty percent of the premium.

The Small Business Job Retention and Flood Survivor Relief portion of the Quality Jobs Program offers a benefit to companies of less than 100 employees that did not receive any other flood relief. To qualify, the primary site must be located in an area affected by flooding above the five hundred year flood plain, all of the company's facilities must be located in Missouri, the average wage must be at least the county average wage, and the company must invest a minimum of \$2 million in capital improvements and equipment at the facility.

For consideration under the Retention portion of the Quality Jobs Program, companies must have been considered to have a significant statewide effect on the economy, have been determined to represent a substantial risk of relocation from the state and must have employed a minimum of one thousand full-time employees for the previous two years with the average wage at or exceeding the county average wage. Additional requirements included that the company must provide new investment of at least \$70 million within two years or invest at least \$30 million within two years and maintain a payroll of at least \$70 million each year a tax credit is claimed. To be eligible, local incentives must be at least fifty percent of the new local revenue generated for ten years.

Changes to Statute

Legislation regarding the Quality Jobs program was passed and then signed by the Governor, taking effect on August 28, 2008. Most notable changes include a tax credit cap increase from \$40 million to \$60 million, allowing a greater number of projects to receive full program benefits, and that Retention projects may now be approved through August 30, 2013.

Location

Missouri Quality Jobs projects creating new jobs have been approved statewide during the program's existence, including 125 projects in non-rural areas and 69 projects in rural areas. A "rural area" is defined in Section 620.1878(27) as "a county in Missouri with a population less than seventy-five thousand or that does not contain an individual city with a population greater than fifty thousand according to the most recent federal decennial census."

Annual Benefit Provided

Benefits for the Missouri Quality Jobs Program may be in two forms, retained withholdings and/or tax credits, depending on the project type.

- Small/expanding business projects may retain the withholdings for new jobs for three years if the average wage of the new jobs equals one hundred to one hundred nineteen percent of the county average wage or for five years if the average wage of the new jobs is one hundred twenty percent or more of the county average wage.
- Technology projects receive a base benefit of five percent of the new payroll for five years. An Average Wage Bonus (see below) may be added if requirements are met. If the withholdings are less than the total benefit, the balance is issued to the company in the form of a sellable/refundable tax credit.
- High Impact projects receive a base benefit of three percent of the new payroll for five years. An Average Wage Bonus and Local Incentives Bonus (see below) may be added if requirements are met. If the withholdings are less than the total benefit, the balance is issued to the company in the form of a sellable/refundable tax credit.
- Small Business Job Retention and Flood Survivor Relief projects receive a benefit of a refundable/sellable state tax credit equal to the state withholding tax of the full-time jobs at the facility for a period of three years.

Average Wage Bonus – Bonus based on percentage of new job average wage to county average wage.

- Greater than 120% and up to 140% - company receives additional ½ % of the payroll of new jobs
- Greater than 140% – company receives additional 1% of the payroll of new jobs

Local Incentives Bonus – Bonus based on the local incentives provided to the project as a percentage of new local tax revenue generated from the project, over ten years.

- 10-24% - company receives additional 1% of the payroll of new jobs
- 25-49% - company receives additional 2% of the payroll of new jobs
- 50% or more – company receives additional 3% of the payroll of new jobs

Net State Fiscal Impact

The Missouri Economic Research Center has estimated the economic impact of the Missouri Quality Jobs Program using the REMI Missouri Regional Economic Model. Key findings for program impact include:

Over 15 years, every dollar of investment in the Missouri Quality Jobs program returns:

- \$7.43 in new general revenues for the State of Missouri, totaling \$1.431 billion over 15 years
- \$161.98 in new personal income for Missourians, totaling \$36.032 billion over 15 years
- \$342.15 in new value added to the state economy, totaling \$76.112 billion over 15 years
- \$615.92 in new economic activity in Missouri, totaling \$137.012 billion over 15 years

The Research Brief for projects approved in 2008 is provided as part of the annual report for this program.

Missouri Quality Jobs -- Job Creation Projects Approved in 2008

NOI Approvals	Location	County	NOI Approval Date	Anticipated New Jobs Year 5	Anticipated Investment Year 5	Projected Average Starting Wage	Estimated Withholding	Estimated Tax Credit	Estimated Total Benefit
1914 Holding Company	Kansas City	Jackson	11/3/2008	248	\$1,567,000	\$77,896	\$1,966,515	\$1,608,967	\$3,575,482
Alliance Fabrication, LLC	Kansas City	Clay	11/24/2008	54	\$450,000	\$50,000	\$241,800	\$0	\$241,800
Analytical Bio-Chemistry Lab., Inc.	Columbia	Boone	10/24/2008	140	\$21,000,000	\$39,000	\$480,600	\$498,400	\$979,000
Belle Ventures, LLC/USA Tank or wholly owned company	Anderson	McDonald	1/2/2008	45	\$2,500,000	\$25,000	\$65,550	\$0	\$65,550
Boehringer Ingelheim Vetmedica, Inc.	St. Joseph	Buchanan	11/4/2008	124	\$125,400,000	\$58,313	\$932,173	\$872,034	\$1,804,207
Brown Shoe Company, Inc. - NOI #2	Clayton	St. Louis	7/25/2008	492	\$137,000,000	\$64,578	\$0	\$6,054,085	\$6,054,085
Burns & McDonnell Engineering	Chesterfield	St. Louis	2/19/2008	50	\$680,000	\$60,000	\$280,860	\$217,440	\$498,300
Capital Electric, Inc.	Kansas City	Jackson	12/23/2008	205	\$650,000	\$65,000	\$1,823,575	\$0	\$1,823,575
Carbolytic Materials Company	Maryville	Nodaway	7/3/2008	21	\$15,215,000	\$42,000	\$127,890	\$136,710	\$264,600
CoSentry.net, LLC	Kansas City	Platte	10/31/2008	50	\$1,375,000	\$45,000	\$195,750	\$175,500	\$371,250
DACA Machine	Dutzow	Warren	3/12/2008	70	\$6,500,000	\$40,708	\$234,892	\$287,089	\$521,981
DeWaay Financial	Kansas City	Jackson	5/7/2008	35	\$1,068,360	\$90,000	\$410,949	\$314,255	\$725,204
DHR International, Inc.	St. Louis	St. Louis	2/26/2008	200	\$1,000,000	\$58,765	\$1,206,891	\$0	\$1,206,891
Digital Ally, Inc.	Grain Valley	Jackson	8/29/2008	110	\$4,300,000	\$39,998	\$408,097	\$347,640	\$755,737
Drury Southwest, Inc.	Cape Girardeau	Cape Girardeau	10/16/2008	28	\$850,000	\$51,810	\$224,855	\$0	\$224,855
EMCON Technologies, LLC	Dexter	Stoddard	2/27/2008	120	\$22,000,000	\$27,664	\$405,368	\$123,373	\$528,741
Enterprise Rent-A-Car	St. Louis	St. Louis	6/2/2008	135	\$11,005,593	\$148,683	\$3,092,623	\$0	\$3,092,623
E-Sponder, LLC	Ballwin	St. Louis	7/17/2008	15	\$1,000,000	\$77,000	\$170,676	\$139,644	\$310,320
Flight Safety International, Inc.	St. Louis	St. Louis	2/28/2008	40	\$53,998,000	\$65,000	\$427,917	\$0	\$427,917
Furniture Brands International	Clayton	St. Louis	3/28/2008	100	\$1,450,000	\$120,000	\$2,357,257	\$2,102,417	\$4,459,674
GCCC LLC	Springfield	Greene	9/30/2008	53	\$1,000,000	\$33,546	\$137,385	\$0	\$137,385
Glen Martin	Boonville	Cooper	7/2/2008	75	\$1,050,000	\$35,000	\$248,805	\$0	\$248,805
Hawkeye Foodservice Distribution	Wright City	Warren	6/13/2008	40	\$5,750,000	\$30,000	\$70,002	\$0	\$70,002
Hoefer Wysocki Architects LLC	Kansas City	Jackson	1/22/2008	30	\$200,000	\$50,000	\$155,000	\$95,000	\$250,000
IBM Co. - KC	Kansas City	Jackson	6/2/2008	10	\$750,000	\$98,737	\$178,231	\$136,295	\$314,526
IBM Co. - St. Louis	St. Louis	St. Louis	6/2/2008	29	\$2,500,000	\$94,536	\$494,877	\$378,436	\$873,313
ICF Industries, Inc.	Pleasant Hill	Cass	2/26/2008	30	\$4,225,000	\$28,779	\$52,711	\$0	\$52,711
Imulan BioTherapeutics, LLC	St. Joseph	Buchanan	9/19/2008	31	\$150,000	\$74,000	\$288,156	\$235,764	\$523,920
Innovative Resource Group, LLC	Earth City	St. Louis	7/25/2008	100	\$700,000	\$40,203	\$582,945	\$623,145	\$1,206,090
Innovative Sample Preparation	Drexel	Cass	12/5/2008	52	\$7,566,800	\$47,331	\$234,755	\$250,944	\$485,699
JetDirect Aviation, LLC dba JetCorp	Chesterfield	St. Louis	12/22/2008	225	\$10,500,000	\$42,595	\$0	\$1,885,724	\$1,885,724
KeyCorp Real Estate Capital Markets, Inc.	Kansas City	Jackson	9/3/2008	71	\$53,700	\$53,700	\$0	\$590,970	\$590,970
Kokam America	Lee's Summit	Jackson	5/1/2008	150	\$23,850,000	\$42,382	\$0	\$1,185,989	\$1,185,989
KPMG, LLP - Kansas City	Kansas City	Jackson	4/21/2008	74	\$900,000	\$70,837	\$918,395	\$0	\$918,395
KPMG, LLP - St. Louis	St. Louis	St. Louis City	4/21/2008	63	\$4,500,000	\$80,891	\$892,851	\$0	\$892,851
KSS Management Company, Inc.	Fort Leonard Wood	Pulaski	3/17/2008	40	\$375,000	\$55,000	\$254,526	\$311,088	\$565,614
Load-Master Fabricating, Inc.	Rosebud	Gasconade	7/3/2008	20	\$355,000	\$23,400	\$20,034	\$0	\$20,034
Mastercard - NOI #2	O'Fallon	St. Charles	7/18/2008	77	\$2,000,000	\$87,000	\$1,138,830	\$870,870	\$2,009,700
McAllister Software Solutions	Peidmont	Wayne	6/19/2008	64	\$1,500,000	\$26,000	\$125,586	\$174,728	\$300,314
Media Convergence Group, Inc.	Columbia	Boone	5/16/2008	35	\$2,000,000	\$47,500	\$173,851	\$185,839	\$359,690
Meramec Electrical Products Co.	Cuba	Crawford	7/25/2008	31	\$3,700,000	\$27,872	\$50,002	\$0	\$50,002
Mountain Grove Components, Inc.	Mountain Grove	Wright	7/25/2008	32	\$575,000	\$23,296	\$29,148	\$0	\$29,148
NAB Automation, Inc.	Cape Girardeau	Scott	10/8/2008	19	\$1,000,000	\$41,000	\$115,420	\$123,380	\$238,800
National Enzyme Company	Forsyth	Taney	4/23/2008	30	\$2,100,000	\$25,638	\$54,679	\$0	\$54,679

NOI Approvals	Location	County	NOI Approval Date	Anticipated New Jobs Year 5	Anticipated Investment Year 5	Projected Average Starting Wage	Estimated Withholding	Estimated Tax Credit	Estimated Total Benefit
National Marketing Resources, LLC	Liberty	Clay	7/25/2008	68	\$6,226,000	\$45,080	\$245,407	\$0	\$245,407
Onshore Technology Services, Inc. - Joplin	Joplin	Jasper	6/2/2008	116	\$250,000	\$30,000	\$276,413	\$276,413	\$552,826
Onshore Technology Services, Inc. - Lebanon	Lebanon	LaClede	5/16/2008	116	\$250,000	\$30,000	\$276,413	\$276,413	\$552,826
Pauwels Transformer, Inc.	Washington	Franklin	10/29/2008	130	\$18,350,000	\$39,799	\$0	\$1,694,489	\$1,694,489
Rexam Containers	Union	Franklin	3/21/2008	82	\$30,000,000	\$34,122	\$171,390	\$0	\$171,390
Schreiber Foods, Inc.	Carthage	Jasper	4/23/2008	110	\$51,500,000	\$35,000	\$551,886	\$674,526	\$1,226,412
Seiler Instrument & Mfg. Co.	St. Louis	St. Louis	12/5/2008	45	\$3,922,000	\$39,172	\$172,911	\$147,294	\$320,205
Shafer, Kline & Warren, Inc.	Columbia	Boone	11/20/2008	10	\$1,230,000	\$52,000	\$85,584	\$80,061	\$165,645
Show Me Energy	Centerview	Johnson	4/21/2008	25	\$7,700,000	\$27,040	\$48,057	\$0	\$48,057
Standley Color & Compound, Inc.	Lamar	Barton	7/1/2008	30	\$3,000,000	\$26,000	\$46,883	\$0	\$46,883
State Street (NOI #3)	Kansas City	Jackson	5/13/2008	664	to be determined	\$39,655	\$3,245,358	\$2,298,923	\$5,544,281
Steelville Manufacturing	Steelville	Crawford	3/28/2008	40	\$1,000,000	\$26,208	\$85,884	\$100,820	\$186,704
TTG, Inc.	Higginsville	Lafayette	6/6/2008	15	\$5,000,000	\$30,000	\$50,250	\$60,300	\$110,550
Tyco Healthcare Group LP	St. Louis	St. Louis City	8/1/2008	20	\$9,250,000	\$67,933	\$339,665	\$259,745	\$599,410
Veran Med Technologies	St. Louis	St. Louis	4/24/2008	50	\$300,000	\$105,000	\$638,739	\$397,053	\$1,035,792
Viking-Cive Midwest, Inc.	Morley	Scott	6/13/2008	36	\$1,400,000	\$27,518	\$64,299	\$0	\$64,299
Total				5,220	\$625,687,453		\$27,569,566	\$26,191,763	\$53,761,329

Missouri Quality Jobs -- Job Retention Projects Approved in 2008

NOI Approvals	Location	County	NOI Approval Date	Retained Jobs				Estimated Tax Credit	Estimated Total Benefit
Honeywell Federal Manufacturing and Technologies, LLC	KC	Jackson	12/10/2008	2000				\$5,000,000	\$5,000,000
Total				2,000				\$5,000,000	\$5,000,000

Missouri Quality Jobs -- Flood Survivor Retention Projects Approved in 2008

NOI Approvals	Location	County	NOI Approval Date	Retained Jobs					
Hellebusch Tool & Die	Washington	Franklin	3/26/2008	63				\$750,000	\$750,000
Total				63				\$750,000	\$750,000

Quality Jobs Program
Project Benefits through December 31, 2008

High Impact Projects								
Requestor	Location	County	Actual Withholding Amount	Actual Tax Credits	Actual New Jobs	Anticipated Withholding Amount (over 5 years)	Anticipated Tax Credits (over 5 years)	Anticipated New Jobs (over 5 years)
American Family Mutual Insurance Company	St. Louis	St. Louis	\$113,357.00		118	\$1,199,199.00	\$1,465,688.00	211
Isle Of Capri Casinos, Inc.	St. Louis	St. Louis	\$1,382,866.28	\$125,004.91	134	\$1,997,296.00	\$2,239,391.00	150
Progress West Healthcare Center	O'Fallon	St. Charles	\$615,517.00	\$21,709.38	207	\$2,296,515.00	\$475,141.00	457
Express Scripts, Inc.	St. Louis	St. Louis	\$738,932.00	\$646,926.23	406	\$4,354,187.00	\$4,157,811.00	480
Saint Luke's East Hospital	Lee's Summit	Jackson	\$486,968.00		248	\$1,100,500.00	\$319,500.00	170
State Street Bank	Kansas City	Jackson	\$466,064.00	\$108,897.96	129	\$5,085,911.00	\$4,729,668.00	987
Subtotal - High Impact projects			\$3,803,704.28	\$902,538.48	1,242	\$16,033,608.00	\$13,387,199.00	2,455

Small/Expanding Projects								
Requestor	Location	County	Actual Withholding Amount	Actual Tax Credits	Actual New Jobs	Anticipated Withholding Amount (over 3-5 years)	Anticipated Tax Credits (over 3-5 years)	Anticipated New Jobs (3 or 5 years)
Patriot Coal Corporation	St. Louis	St. Louis	\$369,400.56		52	\$854,106.00	\$0.00	65
Telecommunications Management LLC dba New Wave Communications	Sikeston	Scott	\$166,941.00		70	\$404,550.00	\$0.00	66
Polsinelli Shalton Welte Suelthaus Pc	Kansas City	Jackson	\$125,547.00		48	\$596,216.00	\$0.00	68
Rehabcare Group, Inc.	St. Louis	St. Louis	\$30,556.00		43	\$343,275.00	\$0.00	130
The Coca-Cola Company (fka Truesdale Packaging Co)	Warrenton	Warren	\$6,528.00		55	\$286,334.00	\$0.00	60
Subtotal - Small/Expanding Projects			\$698,972.56		268	\$2,484,481.00	\$0.00	389

Technology Projects								
Requestor	Location	County	Actual Withholding Amount	Actual Tax Credits	Actual New Jobs	Anticipated Withholding Amount (over 5 years)	Anticipated Tax Credits (over 5 years)	Anticipated New Jobs (over 5 years)
Acceleration, LLC	Lee's Summit	Jackson	\$16,851.00		10	\$145,725.00	\$130,650.00	30
Carfax, Inc.	Columbia	Boone	\$28,973.00		34	\$204,292.00	\$191,113.00	38
Dewaay Financial, LLC	Kansas City	Jackson	\$4,743.00		11	\$410,949.00	\$314,255.00	35
Duck Creek Technologies, Inc.	Bolivar	Polk	\$275,847.20	\$141,394.35	69	\$552,420.00	\$403,319.00	65
Global Velocity, Inc.	St. Louis	St. Louis	\$7,510.00		10	\$428,714.00	\$327,840.00	100
Midwest Data Center, Inc.	Rock Port	Atchison	\$8,042.00		10	\$49,753.00	\$69,222.00	22
Netlabs, LLC	O'Fallon	St. Charles	\$34,368.00	\$5,033.94	17	\$179,490.00	\$167,910.00	30
Nostrum Laboratories, Inc.	Kansas City	Jackson	\$55,881.00	\$1,077.64	16	\$638,173.00	\$432,943.00	80
Onshore Technology Services	Macon	Macon	\$6,892.00		12	\$1,071,700.00	\$1,269,620.00	453
Seventh Wave Laboratories, LLC	Chesterfield	St. Louis	\$46,968.00		22	\$199,950.00	\$187,050.00	30
Tetra Tech Em, Inc.	Kansas City	Jackson	\$26,290.00		51	\$707,985.00	\$662,308.00	88
Ungerboeck Systems International, Inc.	O'Fallon	St. Charles	\$37,685.00		11	\$204,600.00	\$191,400.00	30
Willbros Engineers, Inc.	Kansas City	Jackson	\$80,345.00		10	\$495,953.00	\$463,955.00	65
World Wide Technology Holding Company, Inc.	St. Louis	St. Louis	\$48,355.00	\$36,400.90	15	\$146,098.00	\$130,985.00	28
ABC Labs (Analytical Bio-Chemistry Laboratories, Inc.)	Columbia	Boone	\$203,572.04	\$15,582.06	96	\$658,125.00	\$560,625.00	250
Hellmuth, Obata & Kassabaum, Inc.	St. Louis	St. Louis	\$6,854.00		11	\$259,005.00	\$200,520.00	40
HNTB Corporation	Blue Springs	Jackson	\$1,203.00		16	\$1,088,916.00	\$1,018,664.00	200
Populous, Inc (fka Hok Sport, Inc.)	Kansas City	Jackson	\$366,905.00	\$168,821.81	84	\$268,250.00	\$238,638.00	40
Stowers Institute For Medical Research	Kansas City	Jackson	\$19,817.00		11	\$411,462.00	\$350,502.00	80
World Wide Technology Holding Company, Inc.	Maryland Heights	St. Louis	\$106,685.00	\$26,798.60	28	\$456,286.00	\$330,414.00	90
Paul Mueller Company Inc.	Springfield	Greene	\$259,129.00	\$66,499.55	232	\$2,456,300.00	\$2,011,500.00	675
Savvis Communications Inc.	Chesterfield	St. Louis	\$797,830.05	\$85,745.78	85	\$2,498,267.00	\$1,840,704.00	290
Subtotal - Technology Projects			\$2,440,745.29	\$547,354.63	861	\$13,532,413.00	\$11,494,137.00	2,759
Total - New Jobs Projects			\$6,943,422.13	\$1,449,893.11	2,371	\$32,050,502.00	\$24,881,336.00	5,603

Retention Projects								
Requestor	Location	County		Actual Tax Credits	Retained jobs		Anticipated Tax Credits (over 5 years)	
Express Scripts, Inc.	St. Louis	St. Louis		\$1,000,000.00	1,034		\$5,000,000.00	
Total - Retention Projects				\$1,000,000.00	1,034		\$5,000,000.00	

ECONOMIC IMPACT OF THE MISSOURI QUALITY JOBS PROGRAM 2005 - 2008 PROJECTS

The Missouri Quality Jobs Program targets three economic areas that are most important to Missouri's future - small and expanding businesses, advanced technology companies, and high impact projects. The difference between the Quality Jobs Program and other incentives is that the employer must produce jobs to receive state benefits and the more jobs, the greater the benefit.

Qualifying businesses are required to create a minimum number of new jobs at competitive wage levels, offer health insurance to these new employees and pay at least half of the health insurance premiums for these individuals. For example, small and expanding businesses must produce more than 20 new jobs in a rural area and 40 new jobs in a non-rural area, technology businesses must produce 10 or more new jobs, and high impact businesses must produce 100 or more new jobs - all within two years. In return, qualifying employers will keep a percentage of the state withholding taxes normally paid to the state for these new employees for a set number of years. The amount of the benefit is based on the wage paid relative to the county average wage where the employer is located. Through this approach, DED ensures that taxpayer dollars only go to businesses that create new jobs in Missouri. No projects may be approved for the retention portion of the Quality Jobs program after August 30, 2007. Prior to that date, a company considered leaving Missouri and employing at least 1,000 full-time, year round people at competitive wages and provided their health insurance for the two years prior could have qualified for a tax credit to remain in Missouri.

MQJP KEY FINDINGS

With proposals submitted to DED to date, the MQJP will directly generate \$2.887 billion in new investment and create 23,910 new jobs with health benefits paying an average wage of \$53,706 per year.

At full operation in 2020, the MQJP will create roughly 57,370 direct and spin-off jobs in Missouri. This translates into an employment multiplier of 2.4 jobs for every new direct job, and 258 new jobs per \$1 million dollars of MQJP tax credits and incentives.

Over 15 years, every dollar in MQJP credits and incentives returns:

- \$7.43 in new general revenues for the State of Missouri, totaling \$1.431 billion over 15 years.
- \$161.98 in new personal income for Missourians, totaling \$36.032 billion over 15 years.
- \$342.15 in new value-added to the state economy, totaling \$76.112 billion over 15 years.
- \$615.92 in new economic activity in Missouri, totaling \$137.012 billion over 15 years.

Missouri Quality Jobs Program Activity thru 2008 Calendar Year

As of December 31, 2008, DED has approved Notices of Intent for 195 Small/Expanding, Technology and High Impact projects and 4 Retention projects from businesses to participate in the Quality Jobs Program. Most of these businesses are engaged in professional, technical, and scientific services, information technology, corporate headquarters, banking, insurance, health care, and advanced manufacturing. The direct impact of these businesses will generate \$2.887 billion in new investment, and create 23,910 new jobs with health benefits paying an average wage of \$53,706 per year in Missouri. Incentives for this program will cost the state \$238.6 million in general revenue. Other benefits not included in this analysis are the retention of more than 4,276 jobs with health benefits. The stated impacts are likely higher due to these net new economic benefits, but we are unable to determine the extent of their impact.

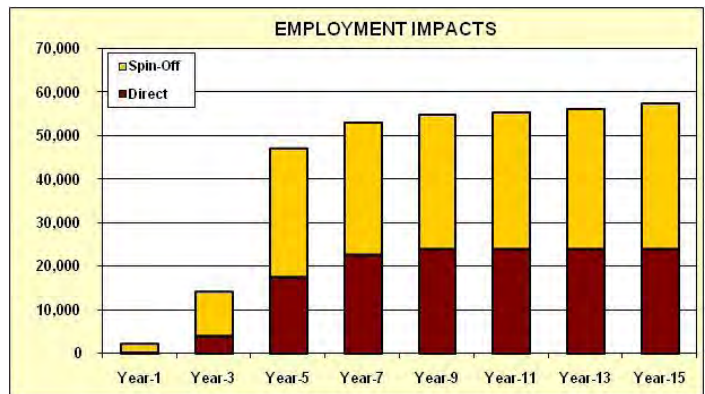
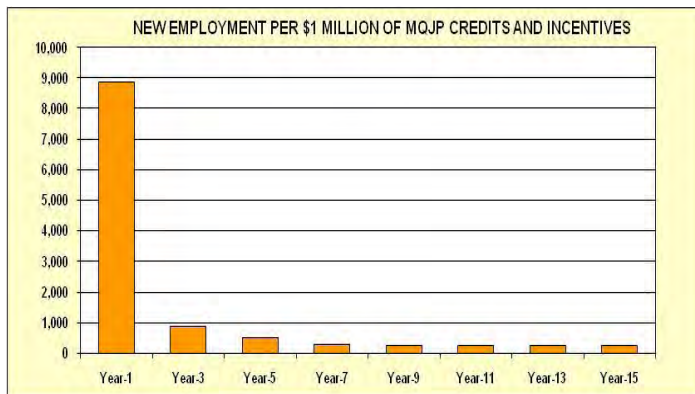
ESTIMATED ECONOMIC IMPACT

The economic impact of the Missouri Quality Jobs Program is estimated using the REMI Missouri Regional Economic Model, which has been customized for the state's 17 economic regions. The forecasting and policy analysis system includes key econometric estimates and integrates inter-industry transactions, long run equilibrium features, and the new economic geography. It includes: substitution among factors of production in response to changes in relative factor costs; migration responses to changes in expected income; labor participation rate responses to changes in real wage and employment conditions; wage rate responses to labor market changes; consumer consumption responses to changes in real disposable income and commodity prices; and local, regional, and market shares responses to changes in regional production costs and agglomeration economics.



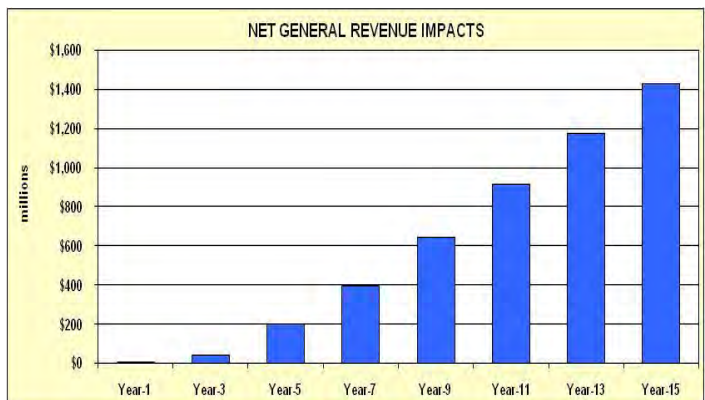
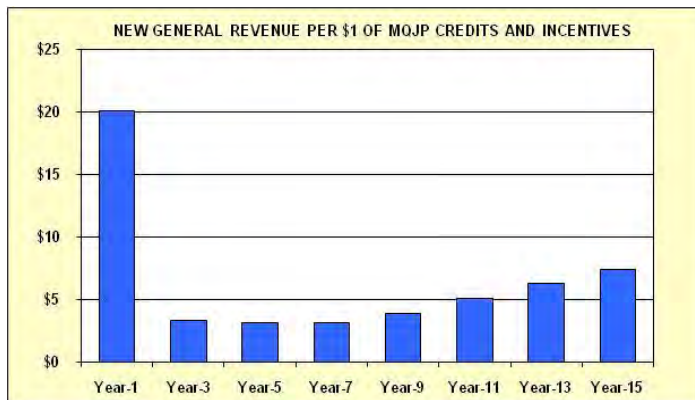
Employment

At full operation in 2020, every one million dollars of state tax credits and incentives invested in the Quality Jobs Program creates nearly 258 direct and indirect jobs in Missouri. Given current projects to date, by 2020 the program will create roughly 57,370 direct and indirect jobs in Missouri paying an average wage of \$49,410 per job.



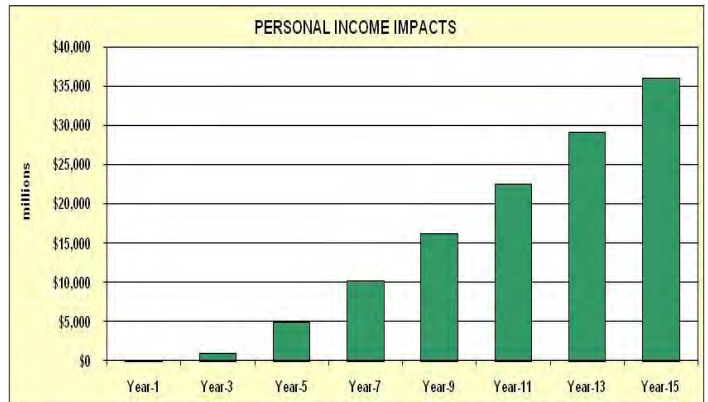
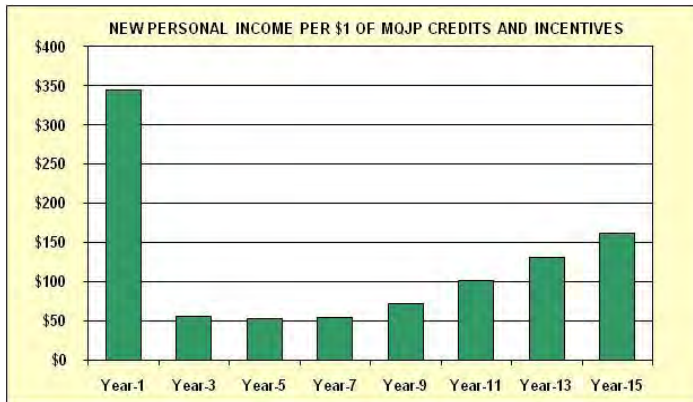
General Revenues

Over 15 years, every dollar of state tax credits and incentives invested in the Quality Jobs Program returns \$7.43 in general revenue taxes to the State of Missouri. Given current projects to date, this will generate \$1.43 billion in new cumulative net state general revenues over 15 years, which averages to \$95.38 million in new general revenues annually.



Personal Income

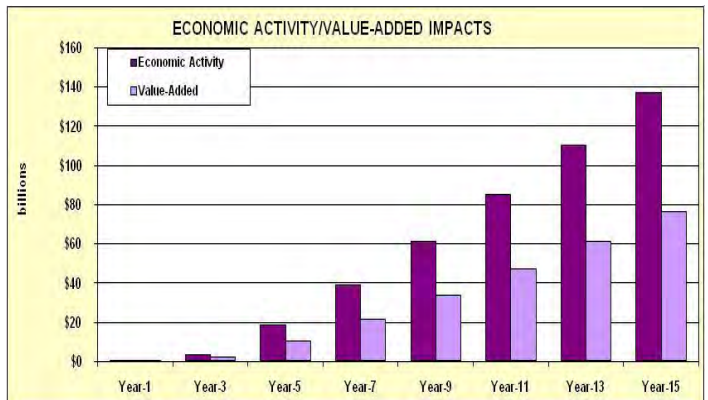
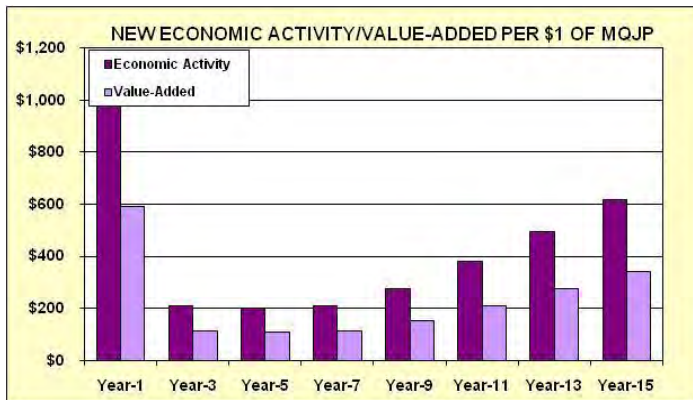
Over 15 years, every dollar of state tax credits and incentives invested in the Quality Jobs Program returns \$161.98 in personal income to Missourians. Given current projects to date, this will generate \$36.03 billion in new cumulative personal income over 15 years, which averages to \$2.4 billion in new personal income annually.



Economic Activity and Value-Added

Over 15 years, every dollar of state tax credits and incentives invested in the Quality Jobs Program returns \$615.92 in new economic activity to the state's economy. Given current projects to date, this will generate \$137 billion in new economic activity over 15 years, which averages to \$9.13 billion in new economic activity annually.

Another measure of economic activity is the value-added to intermediate goods and services. Value-added is equal to total economic activity excluding goods and services used as inputs in the production process. Value-added is used to pay compensation, taxes, capital, and profits. Using this measure, every dollar of state tax credits and incentives invested in the Quality Jobs Program returns \$342.15 in new value-added to the state's economy. Given current projects to date, this will generate \$76.11 billion in new value-added over 15 years, which averages to \$5.07 billion in value-added annually.



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